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ARIZONA CORPORATION COMMISSION

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August 3, 2009

Solar Energy PEIS
Argonne National Laboratory
9700 S. Cass Avenue
EVS/900
Argonne, IL 60439

Re: Bureau of Land Management Solar Energy Study Areas Selection in Arizona.

Dear Sir or Madam,

The Arizona Corporation Commission has had the opportunity to review the Bureau of Land Management's ("BLM") and U.S. Department of Energy's ("DOE") recently announced Solar Energy Study Areas for Arizona and appreciates this opportunity to provide comment.¹ While we are encouraged that the BLM is moving forward to fast track solar development in Western States, we have concerns regarding the process used to select the Solar Zones in Arizona, and the resulting paucity of Arizona land identified for study.

According to the Solar Energy Study Areas map for Arizona, the BLM has selected to study three areas in our state – one called Brenda totaling 4,321 acres in La Paz County, another named Bullard Wash comprising 8,201 acres in Yavapai County and finally, a third, Gillespie, which takes in 3,970 acres in Southwestern Maricopa County. In all, the Arizona lands under study by the BLM total *16,492 acres*. By contrast, in the state of Nevada, the BLM will be studying seven solar zones totaling *149,375 acres*, *120,584 acres* in three solar zones in New Mexico, and *351,049 acres* in four solar zones in California. The enormous disparity in the number of acres under study between these states suggests that dramatically different criteria for selecting the solar zones must have been used by the BLM.

Indeed, it is clear that the "Study Area" selection process for the three zones identified for study in Arizona relied upon "Low Known Conflict" data prepared by the Arizona Game and Fish Department ("AZGFD"). In reviewing this screen, it closely resembles work undertaken by the AZGFD for the Western Governors Association's Western Renewable Energy Zone ("WREZ") initiative. During that effort, AZGFD recognized that its final

¹ The studies are part of the DOE and BLM Programmatic Environmental Impact Statement being conducted pursuant to the National Environmental Policy Act, regarding solar energy development in the West.

results raised concerns for several Parties involved in the WREZ process and AZGFD agreed to revisit its findings, understanding that the final results may have misrepresented the true scope of lands that would be minimally impacted by solar energy development in Arizona.

We are concerned that BLM's reliance on AZGFD data may have replicated the issues that arose in the WREZ process and unfairly mischaracterized Arizona's solar opportunities. Indeed, if WREZ had utilized the data submitted by the AZGFD, Arizona's depicted solar zones would have been drastically reduced, leading the casual observer to believe that our state is off-limits to solar development. In comparing the wildlife data utilized by each individual state for the WREZ process, it seems clear that the Arizona data used by AZGFD and now the BLM is much broader in scope than that used in other states, effectively screening out larger areas from consideration in Arizona when wildlife screens are in place. The WREZ process ultimately did not include the AZGFD data in arriving at its Qualified Resource Hub Map, and identified more than 18,000 acres of developable solar in Arizona.² Additionally, the National Renewable Energy Laboratories ("NREL") has identified significant solar resources in Arizona,³ and the Arizona Corporation Commission's Renewable Energy Transmission Task Force has chronicled solar and wind zones that are equally plentiful.⁴

In 2007, the Arizona Commission adopted the Renewable Energy Standard ("RES"), which requires our state's regulated utilities to generate at least 15 percent of their total retail sales from renewable energy resources by 2025, a target that will no doubt see several of them building – or purchasing energy from – projects that are constructed in the state of Arizona.⁵ Surrounding states, including California, Nevada, and New Mexico, also have Renewable Portfolio Standards that will necessitate the construction of renewable energy generation on both public and private lands. BLM lands will likely play a significant role in meeting those RPS mandates, and as such, the Commission believes it is in the public interest to include in the BLM's Arizona study areas the widest range of land possible. The Commission respectfully requests that BLM revisit its initial study areas in Arizona, given the wide chasm between the results in Arizona and in other similarly situated Western states. We also request that BLM carefully weigh the comparability of the screens it is relying on to reach its conclusions, so as to not disproportionately favor one state over the other as BLM decides which areas to prioritize for solar development.

Thank you for your consideration of these comments and we look forward to continued constructive interaction with the BLM on these and other issues.

² <http://www.westgov.org/wga/initiatives/wrez/WREZ%20Map%20and%20Tables%20Only.pdf>.

³ http://www.nrel.gov/csp/images/3pct_csp_az.jpg.

⁴ http://www.azcc.gov/Divisions/Utilities/Electric/Biennial/2008%20BTA/042009%20Workshop/ARRTIS_042009_FINAL.pdf.

⁵ It should be noted that a recent depiction by the Southwest Area Transmission ("SWAT") group showing the locations of requests for interconnection to those utilities by numerous proposed renewable energy developments would appear to include a number of projects that also have requests pending for permitting before the BLM. See http://www.azcc.gov/Divisions/Utilities/Electric/Biennial/2008%20BTA/042009%20Workshop/ARRTIS_042009_FINAL.pdf.

Sincerely,



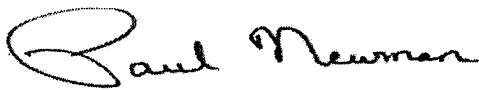
Kristin K. Mayes
Chairman



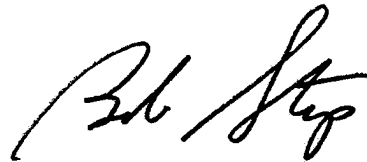
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cc: Ernest Johnson
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